

**MINUTES OF THE
PUBLIC UTILITIES AND TECHNOLOGY INTERIM COMMITTEE**

Wednesday, November 17, 1999 - 9:00 a.m. - Room 223 - State Capitol

Members Present:

Sen. Lorin V. Jones, Co-Chair
Rep. Sheryl L. Allen, Co-Chair
Sen. Leonard M. Blackham
Sen. Mike Dmitrich
Sen. Joseph L. Hull
Sen. Howard C. Nielson
Rep. Ralph Becker
Rep. Chad E. Bennion
Rep. Melvin R. Brown
Rep. Blake D. Chard
Rep. David N. Cox
Rep. Gary F. Cox
Rep. Kevin S. Garn
Rep. Brent H. Goodfellow
Rep. Tom Hatch
Rep. David M. Jones
Rep. Gordon E. Snow
Rep. John E. Swallow

Members Absent:

Rep. David Ure

Staff Present:

Mr. Richard North,
Research Analyst
Ms. Tani Pack Downing,
Associate General Counsel
Ms. Junie G. Anderson,
Legislative Secretary

Note: A list of others present and a copy of materials distributed in the meeting are on file in the Office of Legislative Research and General Counsel.

1. Call to Order - Chair Jones called the meeting to order at 9:12 a.m.

MOTION: Rep. Allen moved to approve the minutes of the October 20, 1999 meeting. The motion passed unanimously with Sen. Blackham, Sen. Dmitrich, Rep. Bennion, Rep. Garn, Rep. Goodfellow, Rep. Jones, and Rep. Swallow absent for the vote.

2. Electrical Deregulation & Customer Choice Task Force Report - Rep. Chard, Task Force Chair, reported on the recommendations of the task force during the interim study period. He said there was a study of other states' and federal activity regarding energy deregulation, and the task force decided to take no action this year.

3. Utilities In Highway Rights-Of-Way Task Force Report - Sen. Blackham and Rep. Hatch, Task Force Chairs, reported on the efforts of the task force during the interim study period. A handout titled "Utilities in Highway Rights-of-Way Task Force Report," was distributed and the Chairs discussed the report with committee members. The handout included draft legislation titled "Utilities in Highway Right-Of-Way." Recommendations of the task force were

also included in the report. Sen. Blackham addressed the fiscal impact issue relating to the bill.

Mr. Larry Bunkall, Utah Manufacturers Association, and Ms. Claire Geddes spoke against the bill and expressed concerns over hidden fees and taxes.

Sen. Blackham commented on the process of paying for the rights-of-way through taxes and fees. He also addressed Governor Leavitt's desire that Utah become a digital state and said the proposed bill would help achieve that goal. Rep. Hatch clarified that this bill only involves rights-of-way in the interstate system, not all state highways.

MOTION: Rep. Allen moved that the committee approve draft legislation titled "Utilities in Highway Right-Of-Way," as well as other recommendations of the task force. The motion passed with Sen. Nielson, Rep. Brown, Rep. Chard, and Rep. Snow voting in opposition to the motion. Rep. Garn, Rep. Jones, and Rep. Swallow were absent for the vote.

4. Rural Telecommunications Task Force - Mr. David Moon, Chief Information Officer and Task Force Chair, discussed a report titled "Report to Utah State Legislature - Rural Telecommunications Task Force," that was mailed to the committee prior to the meeting. He addressed the numerous conclusions and recommendations described in the task force report.

5. State Use Of Information Technology Report - Mr. Moon discussed a report titled "Annual Technology Report" that was mailed to committee members prior to the meeting. He reported on the state of information technology use, financial aspects, and on future directions such as technology infrastructure, IT personnel compensation, and privacy.

6. Unauthorized Charges On Utility Bills - Cramming - Draft Legislation - Rep. Sheryl Allen informed the committee that this bill needed further study and, therefore, would not be discussed at this meeting. She said a working group has been established to meet in Room 223 on December 13 at 3:00 p.m. to discuss any proposed changes.

7. Identification Number Fraud - Draft Legislation - Rep. Chad Bennion discussed draft legislation titled "Identification Number Fraud." The bill was mailed to committee members prior to the meeting.

8. Identity Fraud - Draft Legislation - Sen. Gene Davis discussed draft legislation titled "Identity Fraud." The bill was mailed to committee members prior to the meeting. He identified the differences between his bill and Rep. Bennion's bill.

Ms. Francine Giani, Department of Commerce, Division of Consumer Protection, said her division is neutral on which of the bills should pass, but expressed concern that this legislation is very important because it appears that identity fraud will be the "crime of the next millennium."

Ms. Downing distributed an article from *State Trends* titled "Stealing Your Life Away."

MOTION: Rep. Goodfellow moved to approve both legislation drafts titled "Identification Number Fraud," and "Identity Fraud," as committee bills. The motion passed unanimously. Sen. Blackham, Rep. Garn, Rep. Jones, and Rep. Swallow were absent for the vote.

9. Information Technology Commission - Draft Legislation - Rep. Chard discussed the following legislation which was considered by the Information Technology Commission:

A. Amendments To Digital Signature Act

MOTION: Rep. Allen moved to approve draft legislation titled "Amendments To Digital Signature Act" as a committee bill. The motion passed unanimously with Sen. Blackham, Rep. Becker, Rep. Gary Cox, Rep. Garn, Rep. Hatch, and Rep. Swallow absent for the vote.

B. Chief Information Officer Amendments

MOTION: Rep. Goodfellow moved to approved draft legislation titled "Chief Information Officer Amendments" as a committee bill. The motion passed unanimously with Sen. Blackham, Rep. Becker, Rep. Gary Cox, Rep. Garn, Rep. Hatch, and Rep. Swallow absent for the vote.

C. Information Technology Infrastructure Innovation Program

MOTION: Rep. Bennion moved to approve draft legislation titled "Information Technology Infrastructure Innovation Program" as a committee bill. The motion passed unanimously with Sen. Blackham, Rep. Becker, Rep. Gary Cox, Rep. Garn, Rep. Hatch, Rep. Jones, and Rep. Swallow absent for the vote.

D. Resolution Petitioning US Government To Release Certain Satellite Data

MOTION: Sen. Nielson moved to approve draft legislation titled "Resolution Petitioning US Government To Release Certain Satellite Data" as a committee bill. The motion passed unanimously with Sen. Blackham, Rep. Becker, Rep. Brown, Rep. Gary Cox, Rep. Garn, Rep. Hatch, and Rep. Jones absent for the vote.

E. Removal Of Barriers To Electronic Government Services Delivery

Rep. Chard distributed a handout titled "Removing Barrier to Electronic Government Services Delivery," and discussed the bill.

Ms. Downing clarified that the provisions relating to electronic public notice are limited to contract bids with government entities as demonstrated in the handout.

Mr. Moon said the last SmartUtah survey indicated that 97 percent of businesses had Internet access and there was evidence presented by the purchasing department that most of their bid inquiries come through the web.

Mr. Douglas Richins, Department of Administrative Services, Chief Procurement Officer, said it appears inefficient for contractors to go to several different websites when there could be a consolidated one-stop website designated for giving bid notice to contractors and the public.

Ms. Dixie Brenner, Utah Press Association (UPA), said she opposed the bill because of sections that would eliminate the statutory requirement mandating public notice of contract bids be in newspapers. She said taking any legal notice requirement out of print would be a disservice to the public because most residents get their public notices by newspaper since it has the greatest circulation. She indicated there would be a financial impact on contractors who have unreliable electronic service. She also acknowledged that many rural newspapers rely on the income from legal notices.

Mr. Bill Boyle, Publisher, San Juan Record, said newspapers are more reliable and provided at low cost to citizens.

Mr. Kevin Ashby, Publisher, Price Sun Advocate and the Emery County Progress, said newspapers assure government public notices reach the largest number of interested people.

Mr. Mark Fuellenbach, Publisher, Richfield Reaper, spoke about recognizing the importance of public notice in combating secrecy and encouraging openness in government actions. He said newspaper circulation is easily verified, proving that notices have been published and are accessible to the public. He said the public may not trust the accountability of government, i.e., public notices on a government website that is controlled by a government employee who would decide who would have access to the notice. He suggested that instead of removing the statutory requirement that public notice of contract bids be in newspapers, the language be written so newspaper notices could be supplemented by electronic notice but not replaced by it.

Ms. Sue Ashdown, XMission, spoke in opposition to the bill. She recommended that a central website to access bid notices electronically be tested before considering elimination of public notices from newspapers.

Mr. Moon spoke in favor of the bill and said there are numerous barriers to electronic government service delivery. He stated the importance of new language in the bill that would allow government offices to receive bids and procurement information electronically from the contractor community.

Mr. Jeff Hunt, legal counsel for the UPA, referred to a handout titled "Electronic Publication Of Official Notices," that Ms. Downing distributed at the beginning of the meeting. The handout was draft legislation prepared by the UPA on the topic.

Mr. Doug Short, Associated Builders and Contractors, spoke in favor of the bill but expressed concern over the loss of public notice of contract bids in the newspaper. He recommended that the public notice portion of the bill be addressed in a separate bill.

10. Public Service Commission Report: State Of The Telecommunications Industry - Commissioner Steve Mecham, Chair - Public Service Commission, distributed a report titled "The State of the Telecommunications Industry in Utah," and briefed the committee on the report.

11. Adjournment -

MOTION: Rep. Bennion moved to adjourn the meeting at 11:50 a.m. The motion passed unanimously. Sen. Dmitrich, Sen. Hull, Rep. Brown, Rep. Garn, Rep. Jones, and Rep. Swallow were absent for the vote.

